



Alexandria Waterfront

Small Area Plan | October 26, 2011

Development scenarios summarized

(2)

Site	Existing (sf)	Current Zoning with SUP (sf)	Settlement Agreement (sf)	Waterfront Plan (sf)
Robinson Terminal North	91,814	195,296	238,816	238,816
Robinson Terminal South	139,141	327,393	380,529	380,529
Cummings/Turner Block	70,732	128,360	128,360*	192,540
Totals	301,687	651,049	747,705	811,885
Difference:		349,362	96,656	64,180

** There is no settlement agreement for the Cummings/Turner block. Current zoning is shown.*

- **Purpose of the cost and revenue estimates**
- **How costs were determined**
- **How revenues were determined**
- **Costs and revenues by alternative**
- **Costs and revenues over time**
- **Implementation: first steps**

Purpose of the cost and revenue estimates

- **Test plan for general financial feasibility**
- **Not a budget**
- **Early issue: make sure plan not a drain on city's finances**
- **More recently: plan should not have to pay for itself**

How costs were determined

Improvements

- Primary sources:
 - M&N: shoreline, piers, marina
 - AECOM: public space improvements
 - URS: flood mitigation
- Extensive cost validation with local, regional and national examples, experts.

Museums

- Standard construction costs validated with local, regional and national examples.

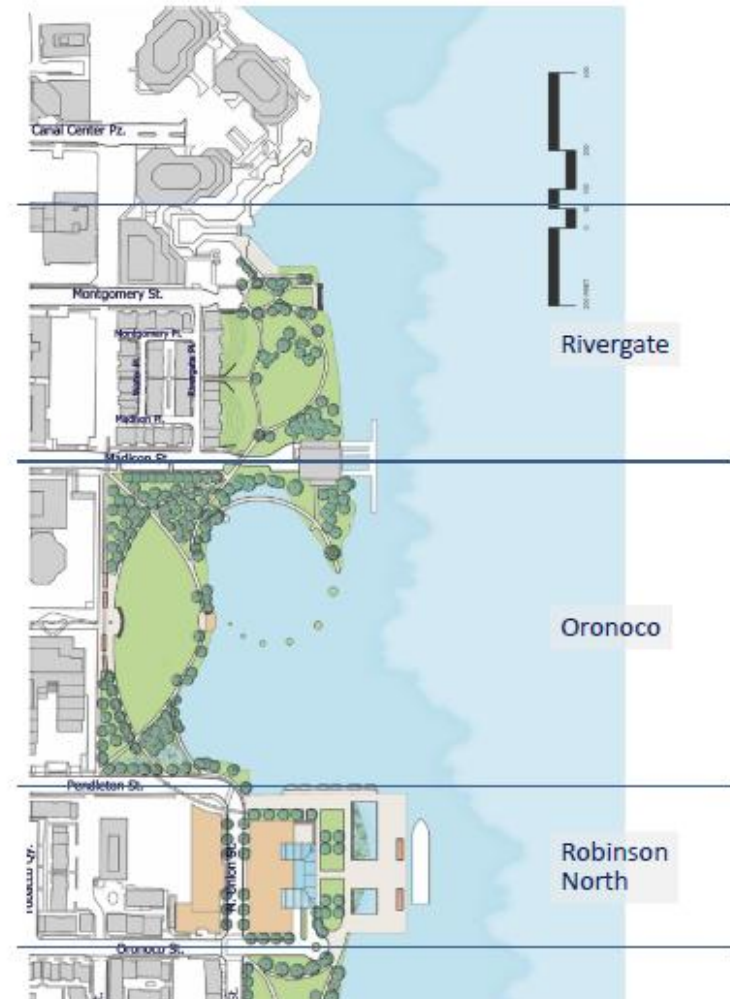
Land and building acquisition

- Assessed value

Contingency 30%, D&E 20%

How costs were determined

ALEXANDRIA WATERFRONT PLAN Phasing Locations



How costs were determined

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A	B	C	D	E	F	G	H
26							
27		Elements of the Phasing Program				Waterfront Plan	F
28							
29		Rivergate	1	Enhanced landscaping; relocation of footpath to be closer to shoreline		\$388,000	
30		Rivergate	2	Construct kayak launch and view "steps" at the foot of Montgomery Street		\$339,600	
31		Rivergate	3	Shoreline naturalization, from rowing facility to "steps" at the foot of Montgomery Street		\$288,000	
32		Rivergate	4	Implement history and art recommendations for the Rivergate/Tide Lock area		privately funded	
33							
34		Oronoco	1	Rebuild and extend curved boardwalk		\$270,000	
35		Oronoco	2	Regrade central lawn, provide overlooks, new paths, and new landscaping		\$1,068,100	
36		Oronoco	3	Shoreline naturalization, from Pendleton Street to boardwalk; stage structure at water's edge; floating islands and riparian plantings		\$852,000	
37		Oronoco	4	Re-create "Ralph's Gut" marsh to recall historic shoreline, demonstrate wetlands, etc.		\$308,000	
38		Oronoco	5	Boxcars, play features, public art and historic interpretation, additional park user services (bike racks, etc)		privately funded	
39							
40		Robinson North	1	Public amenity package		developer	
41							
42		Founders	1	Landscaping enhancement and turf repair		\$69,400	
43		Founders	2	Shoreline naturalization, from Oronoco Street to Queen Street		\$640,000	
44		Founders	3	Implement history and art recommendations		privately funded	
45							
46							
47		Thompsons	1	Thompsons Alley bulkhead renovation, wider promenade between Founders Park, additional commercial docking locations; screening of alley from promenade		\$1,599,100	
				Public realm improvements for Food Court/Chart House area, including deck over "alley"			

- **Flood mitigation: \$6.8 million**
- **Other improvements: \$44.2 million**
 - **Bulkhead and esplanades: \$16 million**
 - **Shoreline, including naturalization: \$2.7 million**
 - **Piers and harbor area: \$5.9 million**
 - **Strand parks: Fitzgerald, Waterfront, Point Lumley: \$8.6 million**
 - **Founders, Oronoco, and Rivergate Parks: \$5.2 million**
 - **Other public spaces: \$1.4 million**
 - **History and art: \$3.8 million**

Existing

- FY2011 Citywide park maintenance + marina: \$5.7 million for 956 acres
- Waterfront: 23.3 acres + marina

Plan assumption: phased increase in operating costs over time

- 0-3 years: increase of \$250,000/year over today
- 4-6 years: increase of \$500,000/year over today
- 7-15 years: increase of \$1 million/year over today
- Included cost of debris skimmer in capital

How revenues were determined

- **Real property tax:** FY2011 tax rate, net increase only
- **Sales tax:** current tax rate, sales/sf based on King Street retail study
- **Meals tax:** current tax rate, sales/sf based on similar restaurants and input from retail experts
- **BPOL tax:** estimated by OMB based on averages for similar businesses
- **Transient Lodging tax:** current tax rates, room rates, and an occupancy rate 3 point below 2010 City average

How revenues were determined

- **Not included:**
 - **Developer contributions**
 - **Federal grants**
 - **Private fundraising**
 - **Increased sales per visitor**
 - **Increased sales on King Street**
 - **Beachcomber lease**
 - **Additional commercial boat revenues**
 - **Other taxes and fees**

Alternatives

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**Planning Commission
Recommendation**



Alternative 1: Parks and Museums



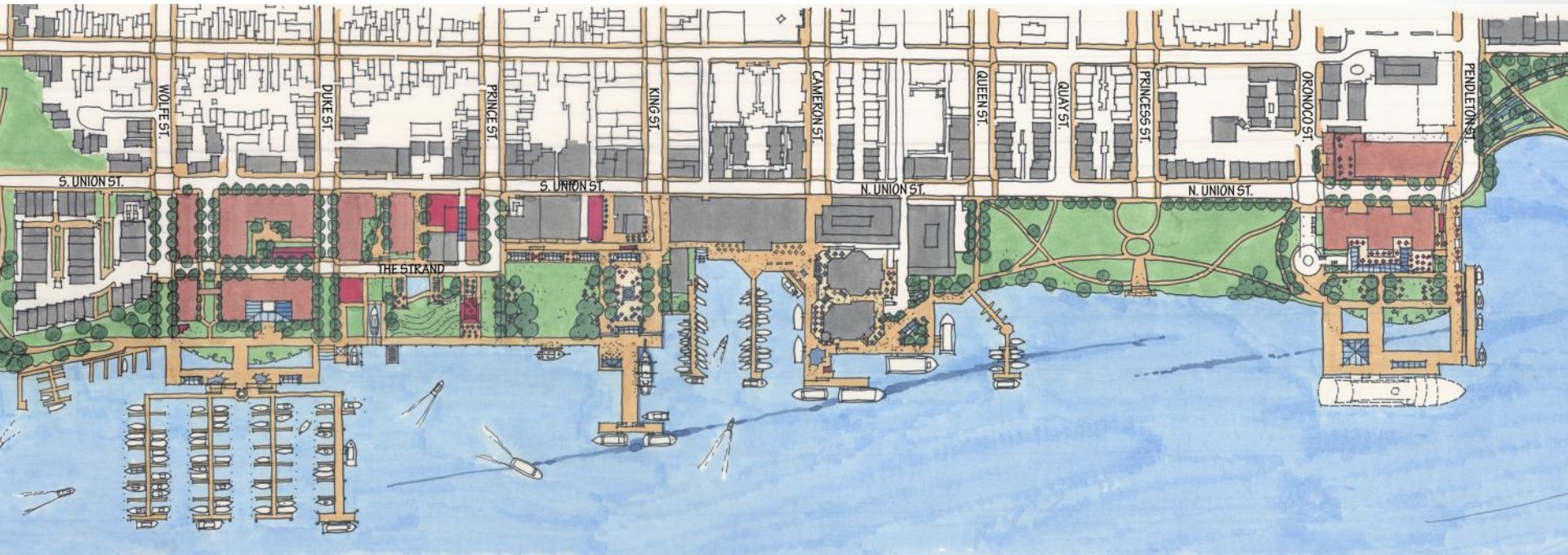
**Alternative 2: Current Zoning without
SUP**



**Alternative 3: Current Zoning with
SUP**

Planning Commission Recommendation

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Planning Commission Recommendation

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- **Capital costs: \$51.0 million**
 - \$44.2 m: plan elements
 - \$6.8 m: flood control
- **Operating costs: +\$1 million**

- **Tax revenues: \$3.8 million/yr**
 - 450 hotel rooms
 - 340,000 sf housing
 - 50,000 sf restaurant
 - 35,000 sf other

- **Revenues exceed costs in year 25**

Revenues by source

Net increase in real property tax revenues	\$2,213,055
Retail sales tax revenues	\$83,633
Meals tax revenues	\$701,960
Total of sales and BPOL tax revenues from restaurants	\$210,588
Total transient lodging tax revenues	\$1,154,636
Sales tax revenues from transient lodging	\$161,211
Assume 15% for general city services	-\$678,762

Net Tax Revenues	\$3,846,321
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Current Zoning, no SUP

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- **Cost of Plan: \$51.0 million**
 - \$44.2m: plan elements
 - \$6.8m: flood control
- **Operating costs: +\$1 million**
- **Same as Planning Commission recommendation**

- **Tax revenues: \$977,000/yr**
- **What's included:**
 - Townhouses on Robinson Terminal sites
 - Multifamily with ground floor retail on Cummings/Turner
 - Sales and meals tax on small amount of retail/restaurant
 - Property tax on private development

- **Revenues insufficient to support operating costs**

Revenues by source

Net increase in real property tax revenues	\$973,363
Retail sales tax revenues	\$18,789
Meals tax revenues	\$121,384
Total of sales and BPOL tax revenues from restaurants	\$36,415
Total transient lodging tax revenues	\$0
Sales tax revenues from transient lodging	\$0
Assume 15% for general city services	-\$172,493

Net Tax Revenues	\$973,363
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Current Zoning with SUP

(19)



- **Cost of Plan: \$51.0 million**
 - \$44.2m: plan elements
 - \$6.8m: flood control
- **Operating costs: +\$1 million**
- **Same as Planning Commission recommendation**

- **Tax revenues: \$1.5 million/yr**
- **What's included:**
 - Townhouses on Robinson North, mix of uses on Robinson South and Cummings/Turner.
 - No hotels
 - Sales and meals tax on small amount of retail/restaurant
 - Property tax on private development

- **Revenues insufficient to support capital costs**

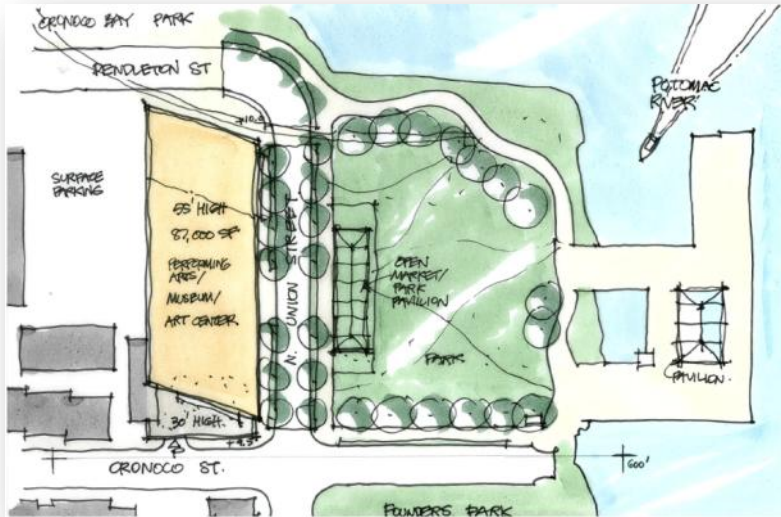
Revenues by source

Net increase in real property tax revenues	\$1,661,201
Retail sales tax revenues	\$13,856
Meals tax revenues	\$109,901
Total of sales and BPOL tax revenues from restaurants	\$32,970
Total transient lodging tax revenues	\$0
Sales tax revenues from transient lodging	\$0
Assume 15% for general city services	-\$272,689

Net Tax Revenues	\$1,545,239
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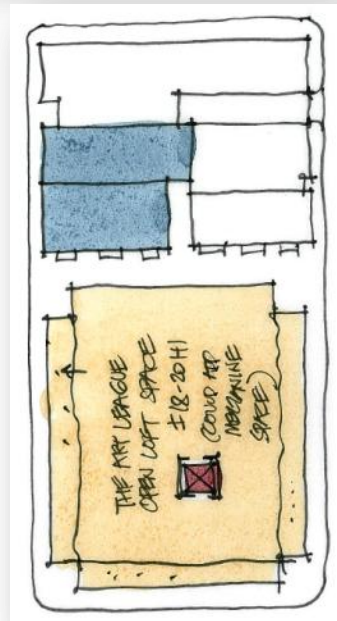
Alt 1: Parks and Museums

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**Robinson
Terminal
North**

**Cummings/
Turner**



**Robinson
Terminal
South**



Features:

- Purchase land from Robinson Terminal: \$14m*
- Demolish structures: \$500K
- Rehabilitate shoreline, construct passive park on east parcel, stabilize pier: \$3.5m
- Performing arts center or museum on west parcel
 - Interstitial parking
 - 87,000 sf (2.0 FAR): \$46m
 - 32,640 sf (.75 FAR): \$19m
- Additional cost over Plan: \$37m - \$63m



* Assessed value

Parks & Museums: Robinson Terminal South (24)

Features:

- Purchase land from Robinson Terminal: \$17m*
- Demolish structures: \$500K
- Rehabilitate shoreline, construct passive park on entire parcel, stabilize pier: \$3.6m
- Restore 2 Duke Street: \$3.6m
- Additional cost over Plan: \$24.7m
- Marina not included in cost estimate



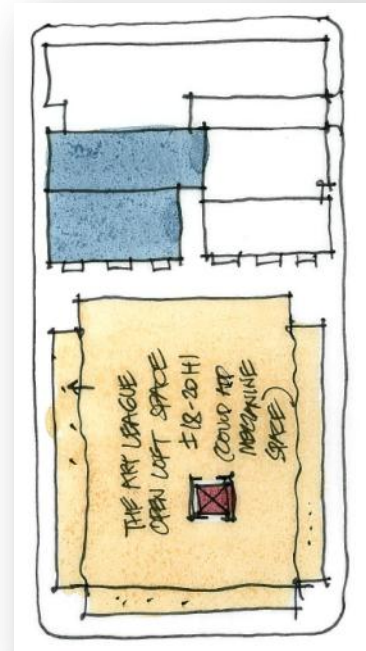
* Assessed value

Parks & Museums: Cummings/Turner block [25]

Features:

- Purchase land and historic structures from Cummings and Turner families: \$10m*
- Demolish non-historic structures: \$350K
- Restore historic buildings as history center, archaeology museum, etc: \$11m
- Construct combination Seaport Foundation/Maritime Museum: \$11m
- Construct Art League building: \$10m
- Additional cost over Plan: \$42m

* Assessed value



- **Cost of Plan: \$220 million**
 - \$43m: plan elements
 - \$6.5m: flood control
 - \$150m: added parks, etc.
 - **What's added:**
 - \$55m: new parks
 - \$20m: history center
 - \$53m: performing arts center
 - \$22m: private cultural inst.
 - **Tax revenues: \$164,000/yr**
 - **What's included:**
 - Beachcomber
 - Property tax on private cultural institutions
- **Revenues insufficient to support costs**

Costs and revenues over time

(27)

WATERFRONT PLAN - REVENUE AND EXPENDITURE BALANCE									
INCLUDING OPERATING COSTS AND CALCULATION OF NET PRESENT VALUE									
ADJUSTED FOR INFLATION									
Revenues									
Phase	Beginning Year	Annual revenues at end of phase		Annual increase in revenues					
1	1	\$302,707		\$100,902					
2	4	\$2,047,306		\$581,533					
3	7	\$3,846,321		\$199,891					
					Waterfront Plan Only				
Revenues					Operating Costs		Waterfront Plan Capital Costs	Operating and Capital Costs	Net Cash Waterfront On
Year	Inflation Factor	Annual Revenue	3% per Year Growth Revenues	Cumulative Revenue	Net increase in operating cost	Compounded 3% per Year Op. Costs	Compounded 3% per Year		Net Revenue Waterfront Costs
1	1	\$100,902	\$100,902	\$100,902	\$0	\$0	\$3,168,558	\$3,168,558	-\$3,06
2	1.03	\$201,805	\$207,859	\$308,761	\$250,000	\$257,500	\$3,263,614	\$3,521,114	-\$3,31
3	1.0609	\$302,707	\$321,142	\$629,903	\$250,000	\$265,225	\$3,361,523	\$3,626,748	-\$3,30
4	1.092727	\$884,240	\$966,233	\$1,596,136	\$500,000	\$546,364	\$5,035,520	\$5,581,883	-\$4,61
5	1.1255088	\$1,465,773	\$1,649,740	\$3,245,876	\$500,000	\$562,754	\$5,186,585	\$5,749,340	-\$4,09
6	1.1592741	\$2,047,306	\$2,373,388	\$5,619,265	\$500,000	\$579,637	\$5,342,183	\$5,921,820	-\$3,54
7	1.1940523	\$2,247,196	\$2,683,270	\$8,302,534	\$750,000	\$895,539	\$2,779,208	\$3,674,747	-\$991
8	1.2298720	\$2,447,087	\$2,909,608	\$11,212,142	\$750,000	\$922,405	\$2,962,584	\$2,784,080	\$775

Cost phasing: considerable flexibility

(28)

Early:

- Bulkhead repairs
- Flood mitigation phase 1 and foot of King Street
- Point Lumley Park, including floodwall

Mid-term:

- Public spaces and floodwall from King to Prince, including Fitzgerald Square
- New piers and expanded commercial marina

Longer term:

- Windmill Hill, Founders, Oronoco Bay, and Rivergate Parks, including shoreline naturalization

Applied a phased redevelopment scenario

- **Early:** Beachcomber, 1 small hotel on Cummings/Turner block
- **Mid-term:** Redevelopment of balance of Cummings/Turner block, Robinson Terminal North
- **Longer term:** Robinson Terminal South

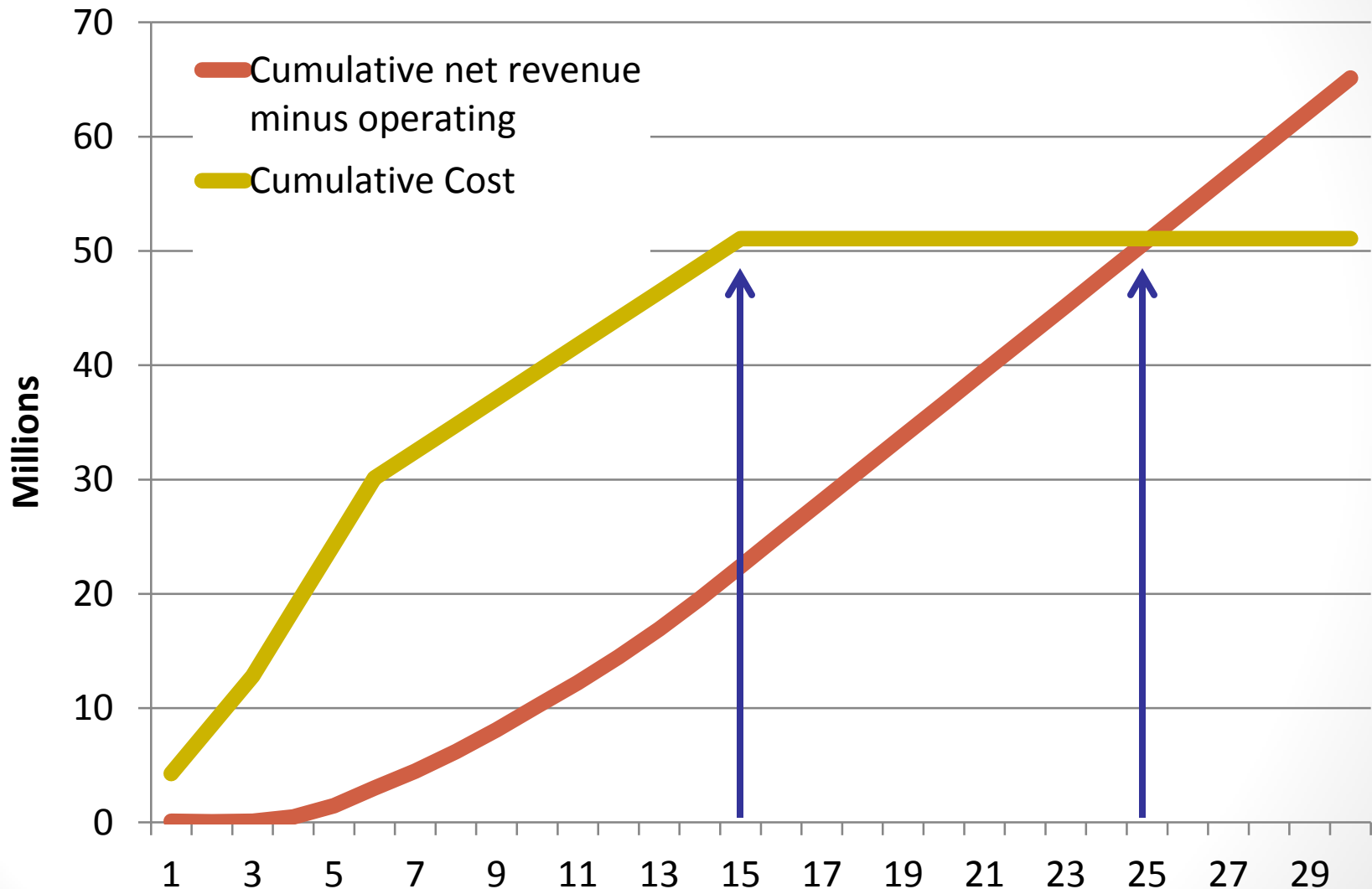
Revenue stream

- Annual net revenues reach \$2.6 million by year 10
- Cumulative revenue* exceeds \$51 million in year 25

** even after diverting \$1 million per year to maintenance by year 7*

Costs and revenues over time

(30)



Level 1

- Flood mitigation phase 1: raise inlets and street level
- Parking
- Complete Strand land acquisition
- Beachcomber
- Development projects

Level 2

- Flood mitigation phase 2: integrated flood walls
- Complete engineering and permitting phasing plan
- Marina

Proposed Flood Mitigation Measures

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